

## ***FY 2022 Operations Funding Change Requests***

<b>Agency Priority:</b>	1
<b>Program Description:</b>	Oklahoma School for the Blind
<b>Requested FTE:</b>	0.0
<b>State Appropriations:</b>	\$67,000
<b>Funding Description:</b>	Funding Request for State Appropriations
<b>Purpose:</b>	Annual Maintenance Request

The Oklahoma School for the Blind in Muskogee provides effective education options for children with all levels of blindness or visual impairments. The goals of the school are to provide an environment that maximizes the learning opportunities for children with disabilities, certify their learning in accordance with State standards and provide a solid foundation of knowledge that the students can lean on well into adulthood. OSB also serves as a resource center to complement to the spectrum of services provided within common education for the State of Oklahoma. Communication and literacy are the two most crucial components for learning. OSB is able to tailor the education to the needs of the student. Students learn to be literate through braille and experience different levels of communication technology that establish a strong foundation for a lifetime of learning. OSB is 100% state appropriated. They do not receive funding from local ad valorem taxes or the State Department of Education funding formula.

The School received the teacher pay raise that was offered during SFY-2019 and SFY-2020. The schools also received the employee raise and the requested CPI adjustment for SFY-2021. Without the CPI maintenance funding, operating budgets must be shifted as necessary to provide a safe and healthy learning environment. The CPI request allows for incremental economic adjustments to the school's funding that would not otherwise be available. The Covid-19 pandemic has put additional stressors on the staff and students to adapt and continue a productive learning environment. CARES Act funds were utilized when possible but are no longer available.

As a residential facility, OSB has the same budgetary challenges as all the other local school districts in regards to the rising cost of food, fuel and utilities, but with the additional challenge of operating a residential facility. The Oklahoma Constitution mandates that the State provide for and support the School for the Blind. A maintenance appropriation adjustment based on this most recent increase of 0.85% would result in an increase of \$67,000 dollar budget request for the School for the Blind. This would allow for economic adjustments to the school's funding that are not otherwise available.

<b>Agency Priority:</b>	2
<b>Program Description:</b>	Oklahoma School for the Deaf
<b>Requested FTE:</b>	0.0
<b>State Appropriations:</b>	\$82,000
<b>Funding Description:</b>	Funding Request for State Appropriations
<b>Purpose:</b>	Annual Maintenance Request

The Oklahoma School for the Deaf in Sulphur provides effective education options for children with all levels of deaf or hard of hearing impairments. The goals of the school are to provide an environment that maximizes the learning opportunities for children with disabilities, certify their learning in accordance with State standards and provide a solid foundation of knowledge that the students can lean on well into adulthood. OSD also serves as a resource center to complement to the spectrum of services provided within common education for the State of Oklahoma. Communication and literacy are the two most crucial components for learning. OSD is able to tailor the education to the needs of the student. Students learn and communicate using sign language and experience different levels of communication technology that establish a strong foundation for a lifetime of learning. OSD is 100% state appropriated. They do not receive funding from local ad valorem taxes or the State Department of Education funding formula.

The School received the teacher pay raise that was offered during SFY-2019 and SFY-2020. The schools also received the employee raise and the requested CPI adjustment for SFY-2021. Without the CPI maintenance funding, operating budgets must be shifted as necessary to provide a safe and healthy learning environment. The CPI request allows for incremental economic adjustments to the school's funding that would not otherwise be available. The Covid-19 pandemic has put additional stressors on the staff and students to adapt and continue a productive learning environment. CARES Act funds were utilized when possible but are no longer available.

As a residential facility, OSD has the same budgetary challenges as all the other local school districts in regards to the rising cost of food, fuel and utilities, but with the additional challenge of operating a residential facility. The Oklahoma Constitution mandates that the State provide for and support the School for the Deaf. A maintenance appropriation adjustment based on this most recent increase of 0.85% would result in an increase of \$82,000 dollar budget request for the School for the Blind. This would allow for economic adjustments to the school's funding that are not otherwise available.

<b>Agency Priority:</b>	3
<b>Program Description:</b>	Vocational Rehabilitation and Services for the Blind and Visually Impaired
<b>Requested FTE:</b>	0.0
<b>State Appropriations:</b>	\$2,500,000
<b>Funding Description:</b>	Funding Request for State Appropriations
<b>Purpose:</b>	Maintain Necessary State Match and Maintenance of Effort Funding Associated with Title I Federal Funds

Increased funding maximizes services to Oklahomans with disabilities, enhancing their opportunity to become self-sufficient through employment and become independent in their homes and communities. This means more Oklahomans can terminate their dependence on state and federal programs and move towards becoming taxpayers. This funding increase will positively impact the stability of the Oklahoma economy. The ratio of funding available is \$4 federal dollars to every \$1 dollar of state matching funds. Funding this request will allow DRS to fully match all of the federal funds available to the State of Oklahoma and keeps DRS in a position to put Oklahoman's with disabilities to work each year. The SFY-2022 appropriation increase requested is \$2,500,000. This increase will allow DRS to fund all obligations associated with the federal funds awarded to the State of Oklahoma, including match and maintenance of effort. Oklahoma forfeited \$5.7 million in unmatched funds from the FFY-2020 grant. Not providing this funding would cause the State of Oklahoma to forfeit additional federal funds from the 2021 and 2022 grants and severely reduce the services available to disabled Oklahomans that want to return to work.

DRS continues to work with other state agencies to coordinate services to common participants and to improve efficiencies. The Agency is an active participant in the Oklahoma Workforce System as well as the Governor's Council on Workforce. The Workforce and Opportunity Improvement Act, the guiding federal regulation for the VR program, requires DRS to participate with 19 different programs across the State to better prepare individuals for successful employment outcomes. Providing this necessary funding would allow for the full access to available funds to continue to serve the existing clients and expand services to better reach underserved populations.

<b>Agency Priority:</b>	4
<b>Program Description:</b>	Pathfinder
<b>Requested FTE:</b>	0.0
<b>State Appropriations:</b>	\$1,800,000
<b>Funding Description:</b>	Funding Request for State Appropriations
<b>Purpose:</b>	State Funding to Offset the Federal Unallowable Portion of Pathfinder

The Disability Determination Services Division of DRS is responsible for adjudicating the applications for Social Security Disability claims. This program was 100% federally funded by the Social Security Administration prior to November 1, 2015. Employees hired after that date are enrolled in the Defined Contribution plan administered through OPERS as pathfinder participants.

The pathfinder program has an overage billed by OPERS that has been ruled unallowable by the federal partners. For state programs, this is not a problem. For federal programs, the overage must be paid with state funds. For VR and DDS this requires the state dollars be utilized in place of federal funds. The overage is a static 6% annually and these funds are not eligible for match or MOE.

As staff hired before November 1, 2015 age out through attrition and are replaced, the required pathfinder contribution has been incrementally increasing each year. SSA has offered Oklahoma the opportunity to hire an additional 222 full time professional positions. It is expected that these hires will not have prior state service and will all be required to take the pathfinder option for retirement.

DRS has two major federal programs, one for DDS and the other is the VR grant previously listed. This results in 70% of personnel costs that are federally supported with either 100% federal funds or 80% federal funds. The FY-2022 pathfinder costs for these two programs are anticipated to be \$1.8 million dollars.

Without additional funding, Oklahoma would lose the opportunity to add 222 professional positions to the Oklahoma workforce through the DDS program. These are professional positions that have long term stability. Also, the VR program would be limited in the number of positions that could be filled and funds available for match would be reduced, further impacting the program's ability to fully match the federal allotment granted to Oklahoma.